

a meeting of the AARP, and he said the following. He said today Medicare, Medicaid, and Medicare, are going up at three times the rate of inflation. We propose, and this is the President and the Democrats in the House saying we propose to let it go up at two times the rate of inflation. That is not a Medicare or Medicaid cut, so when you hear all this business about cuts, and we have heard the cut word used just now tonight, let me caution you that this is not what is going on. It is a reduction in the rate of growth.

Mr. HOKE. Mr. Speaker, if the gentleman would yield; this is what Republicans are saying? Right? You are quoting a Republican that must have said that.

Mr. WELDON of Florida. No, I am actually quoting the President of the United States.

Mr. HOKE. President Clinton said that these are not cuts.

Mr. WELDON of Florida. That is right.

Mr. HOKE. I thank the gentleman from Florida.

Mr. WELDON of Florida. When I came here, I met with the Speaker, I met with the Republican leadership, I met with the chairmen of the Committee on Commerce and the subcommittees, and I felt very strongly that this was extremely important, that we save Medicare. It was announced by the trustees of the Medicare plan, three of whom are Clinton administration Cabinet officials, that the Medicare plan was going to be insolvent, and I felt very strongly that it was extremely important that we maintain the solvency of the program, and the plan, and the proposal that has been put forth, and our budget proposal that we passed today calls for reducing the rate of growth of Medicare to about double the inflation rate. It is going to increase and increase dramatically. Essentially what we are doing is what the Democrats said needed to be done 2 years ago, but now today they are shamelessly, as the Washington Post has admitted, a paper that does not traditionally endorse Republicans, they have said that this is shameless demagoguery.

Let me go on. I will quote President Clinton on a CBS morning show interview March 3, 1994, that is just last year. It is not necessary for us to have a huge tax increase if employers and employees do their part, if we can slow the rate of growth in Medicare and Medicaid to just two times the inflation, just slow it down where it is only increasing twice as much as regular prices.

My colleagues, that is exactly what the Republicans do in their budget proposal.

Again on October 5, 1993, Clinton said in a White House press conference only in Washington do people believe that no one can get by on twice the rate of inflation. So when you hear all this business about cuts, let me caution you that this is not what is going on. That is

Bill Clinton speaking, not NEWT GINGRICH.

WHAT DO THE AMERICAN PEOPLE WANT US TO DO?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. TIAHRT] is recognized for 5 minutes.

Mr. TIAHRT. Mr. Speaker, I believe most Americans are puzzled why we are at an impasse here in Washington, DC. All the bickering about these alleged cuts, and the Speaker in plane rides and the parliamentary procedure is all really distracting us from the main issue, and that is the business at hand, and that is carrying out the will of the people. So let us take a minute just to talk about what the American people would like us to do.

Now I have a chart here that is the marching orders that the people of America have been giving Congress, and this is based on polling data, and all of it runs about 60 to 80 percent. The top one is balance the budget in 7 years, and we will talk more about that later, but basically this is what 80 percent of America wants us to do.

Next is save Medicare from bankruptcy this year, reform welfare, another 80 percent issue, and the third is provide tax relief for families and for job creation. But I want to spend time tonight talking about the balanced budget issue. Let us concentrate on that because that is really what is pending now.

The reason we have 800,000 Government workers off now is because the President is refusing to sign a continuing resolution that has been stripped from all the controversial issues except one, and that is the balanced budget, and the reason I say that is not controversial is because 80 percent of the Americans want a balanced budget. So what the Republicans are proposing is to balance it in 7 years, which is not unreasonable, but the President has already threatened a veto, and now he said many things about the balanced budget. He says he supports a balanced budget. During the campaign he was going to do it in 5 years, and then he said, well, we will do it in 10 years. Then he said, well, 7 may be OK, but it could be 8 or 9. Are you clear on that yet?

Well, I do know one thing, that he did send us a balanced budget, and I can show that to you. This is how it was scored. This is his budget, and you can see from 1996 through 2005 it runs about an average of \$200 billion a year deficit, \$200 billion a year deficit, and, by the way, it did go to the Senate, and it received a "no" vote, or they voted it down 96 to zero. Not one person in the U.S. Senate supported the President's budget. But that is what he has proposed.

This is the problem. The American people want to see a balanced budget.

Now Alan Greenspan, the Chairman of the Federal Reserve, says it is very

important that we balance the budget, and he has a vision of what would happen if we could balance the budget. Let us just look at Mr. Greenspan's vision because he is very knowledgeable about these financial matters. He said our children will have a higher standard of living, that improvement in the purchasing power of incomes would occur, that there would be a rise in productivity, that there would be a reduction of inflation, that strengthening of financial markets, which we have already seen incidentally just from the hope of a balanced budget, the stock market is up nearly to 5,000 points. The bond market is up, all in the hope of balancing the budget for the first time in 26 years, and acceleration of long-term economic growth and significant drop in long-term interest rates.

Well, now what would that drop in interest rates do? Well, it would help each one of us. A drop in interest rates would effect every individual in America and every family. A 2-percent drop in interest rates—and incidentally I just did not pick 2 percent arbitrarily. That is a number that came from Alan Greenspan, the Chairman of the Federal Reserve Board. It came from Alan Greenspan himself.

He said that a 2-percent drop in interest rates would, on a 30-year mortgage of \$75,000, save \$37,000 over the life of that mortgage. On a college loan, a 10-year loan at \$11,000 would save \$2,160. For a 4-year car loan for \$15,000, it would save \$900. A significant savings for each family of approximately \$2,300 per year.

So why is this a problem? Well, I think it is a problem because the President just does not think he can balance the budget, and the reason is he has members in his Cabinet who are really unable to control their own budget.

For example, we have Secretary O'Leary at the Department of Energy. Now first it started out with the GAO report that said it was an ineffective agency. Then there was Vice President Gore in his national performance review that said she was 20 percent behind in her milestones, missing one out of five projects, she was 40 percent inefficient, it was going to cost us \$70 billion over the next 30 years. Well, then we found out that she travels extensively. She is the most expensive member in the whole Cabinet.

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Then she spent \$46,500 to hire a private investigative firm to find out who her unfavorables were, unfavorable people, so she could work on them a little.

Mr. HAYWORTH. Could you repeat that?

Mr. TIAHRT. She spent \$46,500 a year to hire a private investigative firm to find out who the unfavorables were.

Mr. Speaker, with people like that, it is going to be difficult for the President to balance the budget.